

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Serial No.: 10/023,241 Confirmation No.: 3705
Applicant: Phillip M. Ginsberg
Title: AUTOMATED COMMISSION PROCESSING
Filed: December 17, 2001
Art Unit: 3692
Examiner: Harish Dass

Atty. Docket: 01-1016
Customer No. 63710

PRE-APPEAL BRIEF REQUEST FOR REVIEW

Mail Stop Pre-Appeal
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Applicant requests Pre-Appeal Review of the Action of April 9, 2009.

I. Claims 13, 23, 25, and 37

Paragraph 5 of the Office Action compares claim 13 to the combination of Gianakourous '901, Anthonyson '624, and the Forex document. The Office Action compares a commission, which by definition is payable to a broker, based on time, day, location of trade, or customer location, to Anthonyson's price payable to a seller.

13. A data processing system, comprising:

a plurality of communications links designed to communicate trade information to and from a plurality of workstations, the trade information comprising information describing orders in an electronic market for financial instruments items offered for sale or bid to buy, at least some of the trade information to be presented to the workstations; and

a commission processor programmed to receive information relating to execution of trades in the items, and to determine a commission payable by a customer to a trade, or to apply a credit against commission fees to the customer, based at least in part on one or more characteristics from the group consisting of the time of the trade, day of the trade, location of a trade, and the customer trading location.

A. The Claims Recite “Commissions” to Brokers That Are Absent from the Art
Barrons’ Dictionary of Finance and Investment Terms (5th Ed.) gives the following

definition of “Commission” (underline added):

COMMISSION Securities: fee paid to a broker for executing a trade based on the number of shares trades or the dollar amount of the trade. ...

A “commission” by definition requires three parties, a buyer, a seller, and a broker. A “broker” is neither the buyer nor the seller of the thing sold. A “commission” is not the same thing as the price paid to the seller.

Claim 13 recites that a commission, payable to a broker, varies depending on at least one of time, day, location, or customer location.

As the Office Action concedes, the art now of record does not show “commissions ... based [on] the time of the trade, day of the trade, location of a trade, [or] the customer trading location.” When a claim element is entirely absent from the art, a claim is not obvious.

**B. The Office Action Shows No “Substantial Evidence” Support for
“Motivation to Combine”**

At the top of page 4 of the Action, the Examiner speculates that “it would have been obvious to ... combine the disclosure of Gianakouros ...,” but the showing is based solely on the Examiner’s speculation.

As an agency fact-finder (and not an Article III court) governed by Chapter 5 of the Administrative Procedure Act, the Examiner may only rely on “substantial evidence.”¹ The PTO may not rely on “irresponsible admission and weighing of ,, opinion ... in place of factual evidence” or “suspicion, surmise, implications, or plainly incredible evidence.”² Examiner speculation arising long after the filing date is not § 102 evidence, let alone substantial

¹ *Universal Camera Corp. v. Nat’l Labor Relations Bd.*, 340 U.S. 474, 487–88 (1951); *In re Gartside*, 203 F.3d 1305, 1312, 53 USPQ2d 1769, 1773 (Fed. Cir. 2000).

² *Universal Camera*, 340 U.S. at 478–79.

evidence.³ Speculation about what might be desirable is not “substantial evidence” of obviousness.⁴

The Office Action makes no showing that motivations or factors that might apply to the *market for a good or service* have any application in the market for *brokerage services*. The two markets are quite disconnected. Sometimes, the two move in opposite directions: for example, in a falling market, sellers who want to sell their holdings urgently move their trades from lower-cost brokers to higher-cost brokers – while the price of the shares is falling, average commissions rise (though each broker’s commission rates remain fixed). But no art shows commissions that vary in the manner recited in the claim. The Office Action makes no showing that Anthonyson ’624 has any applicability to the market for brokerage services, let alone a showing supported by substantial evidence.

If any further assertion is raised, Applicant calls for substantial evidence pursuant to 37 C.F.R. § 1.104(c)(2).

In the meantime, the rejection lacks substantial evidence support for one *prima facie* element, and must be reversed.

³ *In re Dembiczak*, 175 F.3d 994, 999–1000, 50 USPQ2d 1614, 1617 (Fed. Cir. 1999) (a showing of combinability must be “clear and particular,” and broad conclusory statements about the teaching of references are not “substantial evidence”).

⁴ *KSR Int’l Inc. v. Teleflex Inc.*, 550 U.S. 398, 418, 82 USPQ2d 1385, 1396 (2007) (court must look to objective evidentiary sources “in order to determine whether there was an *apparent* reason to combine the known elements in the fashion claimed by the patent at issue,” emphasis added); *z4 Technologies v. Microsoft Corp.*, 507 F.3d 1340, 1352, 85 USPQ2d 1340, 1349 (Fed. Cir. 2007) (an obviousness challenge fails “because the only direct evidence of obviousness introduced by [the challenger] was the conclusory testimony of its expert. . . . [I]t fails to identify specific evidence or arguments establishing even a *prima facie* case of obviousness under the factors outlined in *Graham v. John Deere Co.*”)—unlike expert testimony, an examiner’s opinion is not “evidence”; *In re Lee*, 277 F.3d 1338, 1342, 61 USPQ2d 1430, 1434–35 (Fed. Cir. 2002) (“Conclusory statements . . . do not adequately address the issue of motivation to combine. . . . [The] factual question of motivation is material to patentability, and [can] not be resolved on subjective belief and unknown authority.”); *In re Zurko*, 258 F.3d 1379, 1385, (Fed. Cir. 2001) (“This assessment of basic knowledge and common sense was not based on any evidence in the record and, therefore, lacks substantial evidence support.”).

C. The April 2009 Office Action Applies an Incorrect Legal Test for “Nonanalogous Art,” Thereby Conceding that Anthonyson ’624 is Not Available as an Obviousness Reference

Applicant’s paper of January 2009 showed that the “field of endeavor” of Anthonyson ’624 is not the same as the “field of endeavor” of this application, and that Anthonyson ’624 is not “reasonably pertinent” to any “particular problem” identified in this application.

The Office Action does not disagree with either of Applicant’s showings. Instead, the Office Action goes off on a tangent:

Oetiker, 977 F.2d 1443, 24 USPQ2d 1443 (Fed. Cir. 1992). In this case, both the invention and the prior art charging different fee for different time is based on the time of usage which is obvious is based on the demand.

The Office Action does not follow the relevant test. The Action does not identify any “field of endeavor,” let alone one that is common to both this applicant and Anthonyson ’624. Nor does the Action identify a “particular problem” that might support a showing of “analogous art.” Nor does the Action contradict the showing in the previous paper that the relevant “fields of endeavor” and “particular problems” are different.

Instead, the Office Action coins a new test for “analogous art,” based on “time of usage” and “demand.” “Time of usage” is neither the “field of endeavor” nor the “particular problem.” “Demand” is never mentioned as a property of brokerage services in the application, and is therefore not a permissible “field of endeavor” or “particular problem.” The Action relies on impermissible bases, and pure speculation and hindsight.

Further, the Action applies illogical circular reasoning—no legal test ever permits an Examiner to assert that something is obvious *because* it is “obvious.” The analysis applied in the Office Action is not relevant to anything legally permissible.

Anthonyson ’624 is non-analogous art, and is not available in an obviousness setting

D. Claims 23, 25, and 37

These independent claims recite “commissions .. based on” language similar to claim 13, discussed above. These independent claims are patentable for similar reasons.

II. Conclusion

Applicant hereby authorizes the USPTO to communicate with any authorized representative concerning this application by electronic mail.

It is believed that this paper occasions no fee. Kindly charge any fee due to Deposit Account No. 50-3938, Order No. 01-1016.

Respectfully submitted,
CFPH L.L.C.

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